

***Delaware Health Resources Board
Meeting Minutes
Thursday, April 19, 2018 2:30 PM
Delaware Technical Community College (Deltech Terry Campus)
Corporate Training Center Rooms 400A and B
100 Campus Drive
Dover, Delaware 19901***

Board Members Present: Acting Chair John Walsh, Leighann Hinkle, Mark Thompson, Vincent Lobo, Jr. D.O. , Julia O’Hanlon, Carolyn Morris, Dennis Klima, Nicholas (Nick) Moriello

Board Members Absent: Brett Fallon, Esq. Chair, Michael Hackendorn, Yrene Waldron, Lynn Fahey, Theodore (Ted) Becker and Edwin Barlow

Staff Present: Latoya Wright and Joanna Suder

Call to Order and Welcome:

Acting Chair John Walsh welcomed the Board members and called the meeting to order at 2:34 p.m. It was stated that Edwin Barlow has been appointed to the Board.

Action

February 15, 2018 Meeting Minutes

The meeting minutes were reviewed. Mark Thompson made a motion to approve the minutes. Dennis Klima seconded the motion; there was a voice vote, no abstentions, no opposing. Motion carried.

MeadowWood Behavioral Health Certificate of Public Review (CPR) application

MeadowWood submitted an application to expand their facility by seven beds. The capital expenditure is \$200,000. The Review Committee that reviewed the application was Carolyn Morris, John Walsh and Ted Becker. The Review Committee met on March 2, 2018. This meeting was open to the public. The Chair of the Review Committee reviewed the seven criteria with the Board summarizing the Review Committee’s findings.

Criterion I: The relationship of the proposal to the Health Resources Management Plan.

MeadowWood states the proposed limited, “flex” expansion of MeadowWood Hospital aligns with the HRMP’s “Triple Aim Plus One” framework whereby all Delawareans receive accessible, effective, well-coordinated care throughout the health care system by:

- Increasing community access to psychiatric inpatient services by MeadowWood Hospital being able to “flex” beds across three patient populations.
- Increasing patient satisfaction as well as affording staff more ability to focus on the individual's treatment as opposed to bedding concerns/control, (i.e., movement between units).
- Increasing the physical number of beds available to individuals in crisis during times when multiple facilities are at capacity.

- Reducing the length of times for individuals in crisis awaiting emergency psychiatric treatment.
- Reducing the length of time that medical resources are tied up in emergency departments while awaiting appropriate placement of psychiatric patients.
- Increasing the ability of MeadowWood to provide necessary emergency treatment to individuals experiencing a crisis.
- Utilizing current administrative space at the MeadowWood Hospital for the expansion, thereby adding access (i.e., beds) for a limited cost.

MeadowWood provides services to any individual regardless of their ability to pay by providing a free and confidential assessment to determine a level of care recommendation followed by inpatient care if deemed appropriate.

Action

Mark Thompson a motion to approve the Review Committee's recommendation that the application met criterion I. Dennis Klima seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Criterion II: The need of the population for the proposed project.

The 2016 Delaware Behavioral & Mental Health Task Force Report's recommendations recognize the need for additional psychiatric beds in Delaware. MeadowWood recognizes that there will be additional beds added in Delaware when the SUN Behavioral Health hospital completes construction and certification in Sussex County. However, the addition of beds in the southern part of Delaware will not alleviate the local shortage in MeadowWood Hospital's immediate area, nor change the flexibility in the proposed expansion. MeadowWood provided projections for an additional 20 beds by the year 2022 with the growing demand for behavioral health services. The request now is for seven beds which will allow MeadowWood the ability to further flex the creative design of the facility and adjust for imbalances in the changing demands of the referral sources and community. With these seven beds, MeadowWood will be able to "swing" three different units adolescent, co-occurring and adult psychiatric, and thus better accommodate these different populations directly and all of its patients indirectly.

There was a question asked if the Review Committee discussed MeadowWood's patient mix of Delaware patients versus Pennsylvania. MeadowWood mentions in the application that they have agreements with insurance companies in Pennsylvania. It was stated the Review Committee did not discuss this specifically however MeadowWood's need for additional beds in the future were discussed and perhaps the request for seven beds right now may be due to financial constraints.

Action

Nick Moriello made a motion to approve the Review Committee's recommendation that the application met criterion II. Dennis Klima seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Criterion III: The availability of less costly and/or more effective alternatives to the proposal, including alternatives involving the use of resources located outside the State of Delaware.

It was stated there are other providers of psychiatric services in Delaware that could serve MeadowWood's patient population, including The Rockford Center and the Dover Behavioral

Center. However, based upon deflection rates within Delaware and the surrounding region, it is uncertain if these services are readily accessible at the time of patient need. This leads to intake delays and patients being forced to seek service in emergency departments. The latter is significantly more costly and, more importantly, counter-therapeutic.

Action

Dennis Klima made a motion to approve the Review Committee's recommendation that the application met criterion III. Mark Thompson seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Criterion IV: The relationship of the proposal to the existing health care delivery system.

MeadowWood is a wholly owned subsidiary of Acadia, a leading provider of psychiatric and addiction services in the United States for over 10 years and has been operating in the state of Delaware for over 6 years. MeadowWood had established and maintained excellent relationships and partnerships with many community agencies, organizations, and hospitals

Depending on the circumstances, either the facility is contacted directly, or the assistance of the Delaware Division of Substance Abuse and Mental Health's designated Mobile Crisis Intervention Service is utilized to secure a bed first at an in-state agency. If such a bed is not available immediately, then the referring individual/agency may be forced to maintain the individual until treatment may be initiated at an appropriate facility when a bed becomes available.

Action

Dennis Klima made a motion to approve the Review Committee's recommendation that the application met criterion IV. Nick Moriello seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Criterion V: The immediate and long-term viability of the proposal in terms of the applicant's access to financial, Management and other necessary resources.

MeadowWood is a wholly owned subsidiary of Acadia, which has a network of 576 behavioral health and addiction facilities, with approximately 17,300 beds in 39 states, the United Kingdom and Puerto Rico. The proposed expansion cost of approximately \$200,000 will be funded with cash on hand.

The submitted financial pro forma includes the financial data projections for the seven-bed inpatient expansion of MeadowWood. The information in the pro forma is based on the current growth trend data for inpatient services, and it projects the revenues, operating expenses, and contribution margins for a period of two years.

MeadowWood maintains a diverse, qualified professional staff that is highly trained and educated in various aspects of medical and behavioral health. The team operates jointly to provide a multi-disciplinary approach, utilizing evidence-based practices as a guide to assessing, treating, and caring for all individuals receiving care at MeadowWood Hospital.

Action

Vincent Lobo Jr. D.O. made a motion to approve the Review Committee's recommendation that the application met criterion V. Mark Thompson seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Criterion VI. The anticipated effect of the proposal on the cost of and charges for healthcare.
The application for the proposed project includes the following projected costs during its first full year of operations:

Financial Impact (first full year of operations)

| | |
|---|--------------|
| Estimated effect on annual expenses: | \$ 844,424 |
| Estimated effect on annual revenue: | \$ 1,342,587 |
| Estimated effect on individual charges: | \$ 0.00 |

It is believed that the proposed, limited, "flex" expansion will have a small, beneficial impact on the cost and charges of existing health services being provided within the health care system. Specifically, as deflections decrease, that patient will receive services at MeadowWood, as opposed to expensive emergency room department services. Schedule 4-Statement of Revenue and Expenses is included in the application.

Action

Vincent Lobo Jr. D.O. made a motion to approve the Review Committee's recommendation that the application met criterion VI. Julia O'Hanlon seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Criterion VII: The anticipated effect of the proposal on the quality of health care.
MeadowWood is certified by Medicare and Medicaid. MeadowWood is accredited by the Joint Commission for the Accreditation of Hospital Organizations (JCAHO).

Action

Dennis Klima motion to approve the Review Committee's recommendation that the application met criterion VII. Leighann Hinkle seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried.

Other Considerations

The expansion will allow the provision of needed treatment for individuals in crisis without exhausting emergency department resources. Meadowwood would be providing high quality services with the additional beds in respect to cost. MeadowWood is already a current Medicaid provider. Forty percent of their current patients are Medicaid. MeadowWood provides free and confidential assessments to any individual seeking or in need of such an assessment, for the purposes of obtaining a level of care recommendation. MeadowWood has and will continue to promote the highest quality continuum of care. The addition of beds will enhance the efficiency in meeting health care needs. The project will meet or exceed the requirements of the energy code for electrical, HVAC, and architectural assemblies. The addition will meet the requirements for the Americans with Disabilities Act.

Action

Nick Moriello made a motion to accept the Review Committee's recommendation to approve the application submitted by MeadowWood Behavioral Health to expand their facility by seven beds. Mark Thompson seconded the motion. There was a voice vote, with all voting in favor, no abstentions, no opposing. Motion carried. The MeadowWood application was approved.

Other Business

On April 3, 2018, MuveHealth submitted a letter withdrawing their Notice of Intent filed on December 10, 2017 for the construction of a single specialty ambulatory surgery center in Milford, DE.

Public Comment

There were no public comments

Next Meeting

May 24, 2018

Adjourn

The meeting adjourned at 3:04 p.m.

Guests Attended

Andrew Danco
Megan Williams
Elizabeth Lewis
Felicia Risick
William Mason
John McKenna

Benedictine University
Delaware Healthcare Association
Hamilton and Goodman Partners
MeadowWood Behavioral Health
MeadowWood Behavioral Health
Rockford Center